

The Secretary  
Senate ECITA References Committee  
Parliament House  
Canberra ACT 2600  
Email [ecita.sen@aph.com.au](mailto:ecita.sen@aph.com.au)

12<sup>th</sup> November 2002

Dear Mr McLean

**Re: Inquiry into the Renewable Energy (Electricity) Amendment Bill 2002**

Thank you for the opportunity to provide input to this Inquiry.

I write to commend the Australian Commonwealth Government for the initiatives that have stimulated the renewable energy industry in Australia, particularly the Mandatory Renewable Energy Target (MRET), and to indicate Vestas' support and commitment to the Australian renewable energy industry.

Vestas is the world leader in wind technology and a driving force in the development of the global wind power industry. Vestas' core business comprises the development, manufacture, sale and maintenance of installations that use wind energy to generate electricity.

Vestas began wind turbine manufacturing in 1979 in Denmark, and has played a major role in the wind power industry ever since. Through decades of involvement in all aspects of this industry and installing thousands of turbines all over the world, Vestas has built up a wealth of experience and expertise that are used to the benefit of customers worldwide.

The MRET target of 9500 GWh has stimulated wind turbine orders which have enabled Vestas to commit to establishment of nacelle cover and nose cone manufacture, nacelle assembly and turbine tower fabrication in Tasmania. In addition it is expected that other materials and components for wind turbines will be sourced in Australia. An increase in this target would encourage Vestas to make further commitments, possibly including a significant investment in a turbine blade manufacturing facility. The size of the Target and the rate at which it is introduced are key factors in our investment decision process. Establishment of local manufacture provides benefits including competitively priced turbines for developers (due to reduced transport costs), avoidance of exchange rate fluctuations and additional local employment.

In our view a blade factory in Australia would position Australia to become a regional centre for wind turbine manufacture, with real opportunities for exports to the region. An increase in the MRET should stimulate enough demand for the establishment of a blade manufacturing plant.

Australia has shown great promise for wind developments in recent years and MRET has created the enabling environment for these developments. An increase in the MRET target can only assist the Australian wind energy industry to grow and compete in international markets

I look forward to furthering our role in the Australian renewable energy industry and enthusiastically await the outcome of the upcoming review of the Renewable Energy (Electricity) Act 2000.

Yours sincerely,



Nils Anderson  
Managing Director  
Vestas International Wind Technology A/S &  
Vestas Australian Wind Technology Pty. Ltd.